

RECORDATION NO. 27243 FILED

NOV 28 '07 -10 57 AM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
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OF COUNSEL
URBAN A. LESTER

November 28, 2007

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Full Service Railcar Lease, dated as of November 15, 2007, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: Babcock & Brown Rail Funding LLC
885 Second Avenue
49th Floor
New York, NY 10017

Lessee: Alabama Power Company
600 N 18th St/14N-8163
Birmingham, Alabama 35202

Mr. Vernon A. Williams
November 28, 2007
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A description of the railroad equipment covered by the enclosed document
is:

15 covered hopper railcars: BNBX 122195 - BNBX 122209.

A short summary of the document to appear in the index is:

Memorandum of Full Service Railcar Lease.

Also enclosed is a check in the amount of \$35.00 payable to the order of
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the
undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/sem
Enclosures

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MEMORANDUM OF FULL SERVICE RAILCAR LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF FULL SERVICE RAILCAR LEASE dated as of this 15th day of November, 2007, to that certain Master Full Service Railcar Lease dated as of October 30, 2007, between BABCOCK & BROWN RAIL FUNDING LLC, a Delaware limited liability company (the "Lessor") and ALABAMA POWER COMPANY, an Alabama corporation (the "Lessee"), pursuant to which Schedule No. 01 has been executed, is made by the Lessor and the Lessee (the Lessor and together with the Lessee, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Parties entered into that certain Master Full Service Railcar Lease dated as of October 30, 2007 and that certain Schedule No. 01 thereto dated as of the same date (hereinafter as the same may from time to time be amended, modified or supplemented, the "Agreement"), covering the equipment listed on Exhibit A hereto (the "Cars");

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Agreement, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.


NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Cars to the Lessee in accordance with the terms and conditions of the Agreement, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

This Memorandum of Full Service Railcar Lease may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

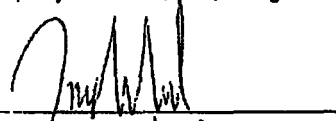
IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Full Service Railcar Lease to be executed by a duly authorized officer or agent as of the day and year as set forth below.

BABCOCK & BROWN RAIL FUNDING LLC, as Lessor

By: 
Name: ROSS SULLIVAN
Title: VICE PRESIDENT
Date: 11/27/07

ALABAMA POWER COMPANY, as Lessee

By: Southern Company Services, Inc., its agent

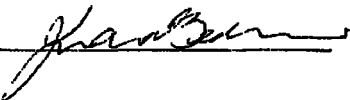
By: 
Name: TONY A. REED
Title: Fuels Mgr, APC
Date: 11/15/07

STATE OF New York)

) SS:
COUNTY OF New York)

On 11/27, 2007, before me, Indra Bedasie, Notary Public, personally appeared Ross Sullivan, personally known to me to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



INDRA BEDASIE
Notary Public, State of New York
No. 01BE6014602
Qualified in Queens County
Certificate Filed in New York County
Commission Expires October 19, 2012.

STATE OF Alabama)

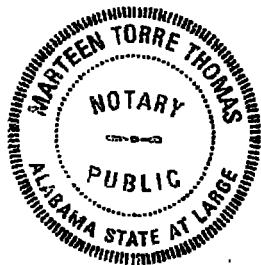
) SS:

COUNTY OF Jefferson)

On Nov. 15, 2007, before me, Marteen Torre Thomas, Notary Public, personally appeared Tony Reed, personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Marteen Torre Thomas



MY COMMISSION EXPIRES AUGUST 8, 2010

EXHIBIT A
MEMORANDUM OF FULL SERVICE RAILCAR LEASE

<u>Quantity</u>	<u>Car Description</u>	<u>Reporting Marks and Numbers</u>
Fifteen (15)	Pressure Differential Covered hoppers, with a 3230 CF, 286,000 lbs. gross rail load capacity, AAR Car Type Code C612, built by Trinity North American Freight Car in 2007	BNBX 122195 – 122209, inclusive

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 11/28/07



Robert W. Alvord